

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

IN RE: :
ADOPTION OF INTERIM :
LOCAL BANKRUPTCY RULE 1020 : GENERAL ORDER: 2022-03
:

ORDER

The Bankruptcy Threshold Adjustment and Technical Corrections Act (“BTATC Act”), Pub. L. No. 117-151 (2022), temporarily increases the debt threshold in subchapter V of chapter 13 and chapter 13 of title 11 of the United States Code and makes technical corrections to the Bankruptcy Administration Improvement Act of 2020 (“BAIA”). The BTATC Act restores the \$7,500,000 limit retroactively for cases commenced on or after March 27, 2020, and sunsets two years after the date of enactment of the BTATC Act. As a result, the Advisory Committee on Bankruptcy Rules has recommended that courts adopt interim rules to address the BTATC Act.

NOW THEREFORE, pursuant to 28 U.S.C. § 2071, Rule 83 of the Federal Rules of Civil Procedure, and Rule 9029 of the Federal Rules of Bankruptcy Procedure, it is hereby

ORDERED that the attached Interim Rule 1020 is adopted in its entirety without change by the judges of this Court to be effective immediately and to apply retroactively in accordance with the BTATC Act. The attached rule is presented in redlined format to highlight the temporary changes. This Interim rule shall remain in effect for two years from date of enactment of the BTATC Act and shall automatically be sunset at that time without further order of the Court.

Dated: July 21, 2022

By the Court,



Henry W. Van Eck, Chief Bankruptcy Judge ^(SE)

1 **Interim Rule 1020. Chapter 11 Reorganization Case for**
2 **Small Business Debtors or Debtors Under Subchapter V**

3 (a) ~~SMALL—BUSINESS—DEBTOR~~
4 DESIGNATION. In a voluntary chapter 11 case, the debtor
5 shall state in the petition whether the debtor is a small
6 business debtor or a debtor as defined in § 1182(1) of the
7 Code and, if the latter ~~so~~, whether the debtor elects to have
8 subchapter V of chapter 11 apply. In an involuntary chapter
9 11 case, the debtor shall file within 14 days after entry of the
10 order for relief a statement as to whether the debtor is a small
11 business debtor or a debtor as defined in § 1182(1) of the
12 Code and, if the latter ~~so~~, whether the debtor elects to have
13 subchapter V of chapter 11 apply. The status of the case as
14 a small business case or a case under subchapter V of chapter
15 11 shall be in accordance with the debtor's statement under
16 this subdivision, unless and until the court enters an order
17 finding that the debtor's statement is incorrect.

18 (b) OBJECTING TO DESIGNATION. The United
19 States trustee or a party in interest may file an objection to
20 the debtor's statement under subdivision (a) no later than 30
21 days after the conclusion of the meeting of creditors held
22 under § 341(a) of the Code, or within 30 days after any
23 amendment to the statement, whichever is later.

24 (c) PROCEDURE FOR OBJECTION OR
25 DETERMINATION. Any objection or request for a
26 determination under this rule shall be governed by Rule 9014
27 and served on: the debtor; the debtor’s attorney; the United
28 States trustee; the trustee; the creditors included on the list
29 filed under Rule 1007(d) or, if a committee has been
30 appointed under § 1102(a)(3), the committee or its
31 authorized agent; and any other entity as the court directs.

Committee Note

The Interim Rule is amended in response to the enactment of the Bankruptcy Threshold Adjustment and Technical Correction Act (the “BTATC Act”), Pub. L. No. 117-151, ___ Stat. _____. The BTATC reinstates the definition of “debtor” for determining eligibility to proceed under subchapter V of chapter 11 that was in effect from March 27, 2020 through March 27, 2022, under the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, 134 Stat. 281, as amended. Subdivision (a) of the rule is amended to reflect that change. This Interim Rule will terminate two years after the date of enactment of the BTATC, unless the Act is extended.